

Community Planning and Economic Development 2014 Budget Hearing

Department found on pages E109– E120 in budget book

Presentation to Ways and Means/Budget Committee
September 26, 2013

CPED Program Budget Overview

2014 CPED MAYOR'S RECOMMENDED BUDGET

Division	Program #	Program Description	FTEs	General Fund	Other Funds	Total 2014 Mayor's Recommended Budget
<u>Long Range Planning</u>						
	Program 1	Long Range Planning	13.70	1,728,189	1,386,929	3,115,118
<u>Housing Development & Policy</u>						
	Program 2	Affordable Housing Development	15.75	1,556,161	8,983,361	10,539,522
	Program 3	Homeownership Support and Development	14.65	1,265,702	4,711,864	5,977,566
<u>Economic Development & Policy</u>						
	Program 4	Business Development	20.20	5,064,679	3,880,750	8,945,429
	Program 5	Business Licensing	30.50	3,781,436	372,733	4,154,169
	Program 6	Adult Workforce Development	8.90	636,581	3,586,640	4,223,221
	Program 7	Youth Training and Development	6.80	647,218	2,562,352	3,209,570
<u>Development Services</u>						
	Program 8	Land Use, Design and Preservation	24.60	2,580,100	935,969	3,516,069
	Program 9	Development Services - Customer Service Center	20.35	2,481,314	379,218	2,860,532
	Program 10	Construction Code Services	70.20	9,596,362	1,419,702	11,016,064
<u>CPED-wide</u>						
	Program 11	Pre-Development Activities	4.35	823,700	55,441	879,141
	Program 12	Debt Service			16,838,405	16,838,405
TOTAL*			230.00	30,161,442	45,113,364	75,274,806
	Program 12	Transfers	-		19,562,608	19,562,608
TOTAL CPED BUDGET			230.00	30,161,442	64,675,972	94,837,414

* Excludes Transfer amounts

Impacts of Recommended Budget

- General Fund support to stabilize CPED budget
 - \$3,776,000 additional GF for core operating budget to align with overall GF support for CPED budget
- General Fund support to guide growing economy
 - \$700,000 additional GF for new FTEs responsible for managing development, construction, and business review
- General Fund support to fill specific challenges
 - Midtown Global Market
 - STEP UP youth summer jobs

CPED 2014 Program Budgets

Long Range Planning (\$2,910,483) (13.7 FTEs)

- Comprehensive planning to align urban design with economic development (business and housing) to grow a sustainable city
 - Manage and implement the Minneapolis Comprehensive Plan
 - Develop area and district plans: Above the Falls, Southwest LRT, Penn Avenue North, Downtown East, Streetcar
 - Manage CPED Sector Teams and Strategy
- Research to inform and guide urban design, economic development, and civic technology
- Advance qualitative urbanism to improve public realm
- Manage maintenance and expansion of public art
- Recent innovations: Sector Teams and Creative City Making

CPED 2014 Program Budgets

Affordable Housing Development (\$10,539,522) (15.75 FTEs)

Provide needed financing for the development of safe, affordable, sustainable housing with projects that create jobs

- Dedicated resources through Affordable Housing Trust Fund since 2002 invested \$73 million to sustain and build 6,878 units
 - Leveraged \$777 million (10:1 ratio)
- 2014 Recommended budget maintains current level of funds for Affordable Housing Development
 - \$6,962,000 allocated to the Trust Fund
- Accelerate the development of housing options for seniors
 - Strategy development underway, limited funds for new housing
- Equity goals applied to all CPED-funded projects
 - Hiring
 - Contracting

CPED 2014 Program Budgets

Home Ownership Support (\$5,977,566) (14.65 FTEs)

- Prevent home foreclosures, reinvest in residential properties, and reposition challenged residential areas.
 - Green Homes North
 - Minneapolis Advantage
 - Home Ownership Works
 - Senior Housing Stabilization
 - Vacant and Boarded Residential Properties Mgmt.
 - Owner Occupied Home Rehabilitation
- Equity goals applied to all CPED-funded projects
 - Hiring
 - Contracting
 - Property management

CPED 2014 Program Budgets

Business Development (\$8,983,361) (20.2 FTEs)

- Help businesses start, stay, and grow to create jobs, grow the tax base, and revitalize challenged areas
 - Provide and facilitate business and commercial real estate loans
 - Sale of City-owned commercial property
 - Business outreach, networking, site selection, and consultation
 - Facilitate redevelopment grants from other government entities
- Accelerate commercial redevelopment
 - Upper Harbor Terminal
 - Bassett Creek Valley
 - Penn and W. Broadway
 - Downtown East
 - Green, Tech, Food, Manufacturing sectors and exports

CPED 2014 Program Budgets

Business Development continued...

- New Initiatives and Innovations
 - Grow North
 - Integration of unified Business Development Team
- Significant Leverage of non-City funds
 - \$3.5 million Great Streets leveraged \$54 million
 - \$10.8 million real estate redevelopment leveraged \$53 million
- Results: Job Growth
 - 6,873 construction jobs
 - 2,234 private sector jobs
- New in 2014: \$185,000 additional GF for Midtown Global Market

CPED 2014 Program Budgets

Business Licensing Services (\$4,154,169) (30.5 FTEs)

- Help businesses navigate and comply with business licensing and other public processes by enforcing community standards
 - 11,000 licensed each year
- Guide the constant improvement and reform of the regulatory climate affecting businesses operating in the City
 - Food trucks
 - Pedicabs
 - Flea Markets
- Materials and videos in multiple languages and
- Mayor's Recommended Budget includes one new FTE to better manage staff workload, community engagement, and reform

CPED 2014 Program Budgets

Adult Workforce Development (\$4,223,221) (8.9 FTEs)

- Partner with community-based agencies to provide residents with quality jobs and job training to help employers meet current and future labor needs
 - Dislocated workers with job experience
 - Low income and long-term unemployed workers
 - Platform to Employment: unemployed older residents and vets
- Directly address employment inequity
- RENEW Minneapolis provides job-skills training and job placement to prepare low-income residents for careers in renewable energy, manufacturing, and construction
 - Recognized by state and nationally as model program
- Manufacturing Action Alliance will attract more students to and help more students complete manufacturing training programs
- City funds stable, but overall funding declining 15%

CPED 2014 Program Budgets

Youth Training and Employment (\$3,209,570) (6.8 FTEs)

- Give youth, especially from minority and low-income communities the tools to find jobs and prepare for their careers
 - STEP UP
 - Year-round Program
- Directly address employment inequity
- Recognized nationally as a model
- \$75,000 additional GF for STEP UP to mitigate \$200,000 reduced federal funds
- City funds stable, but overall funding declining 9%
- Innovations
 - Online applications increase applications by 1/3
 - Specialized training engages key sectors
 - Urban Scholar partnership

CPED 2014 Program Budgets

Land Use, Design, and Preservation (\$3,516,069) (24.6 FTEs)

Guide commercial, residential and public realm development as required by law by helping residents and property owners navigate and comply with public processes and community standards

- Manage and review land use, zoning, preservation, and environmental review applications
- Administer Planning Commission, Heritage Preservation Commission, and Zoning Board of Adjustment
- Guide the constant improvement and reform of the regulatory climate affecting land use development
- Addition of 1 new City Planner FTE to review land use applications
- Paperless board and commissions innovation

CPED 2014 Program Budgets

Customer Service Center (\$2,860,532) (20.35 FTEs)

Provide consolidated development and construction services to help business grow, create jobs, and grow the tax base

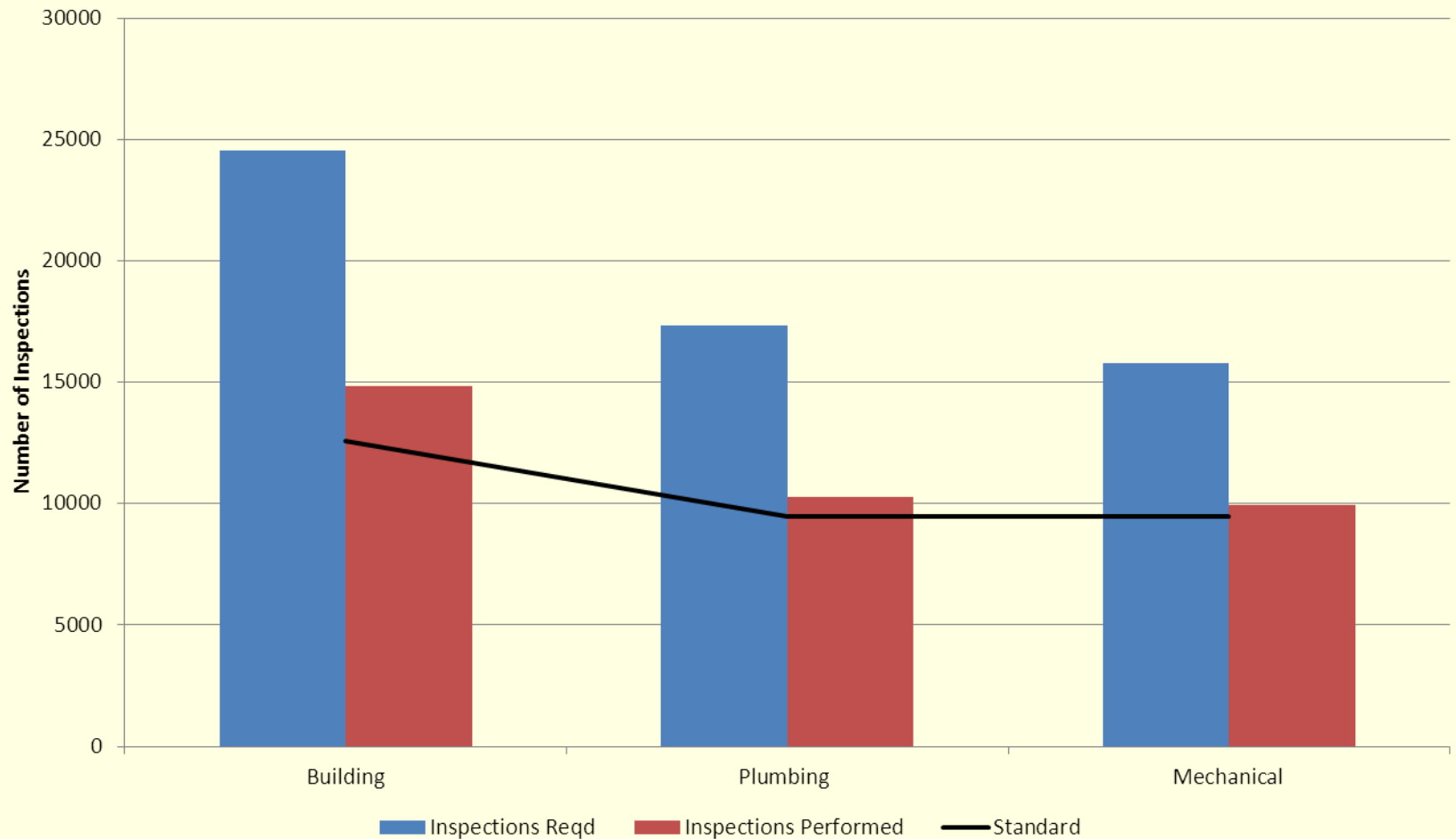
- 40,000 construction permits serviced annually (85% in <2 days)
- Commitment to constant improvement to continually streamline services and processes
 - Concurrent review
 - Development coordinators
- Develop new processes for evolving development environment
 - SAC
 - Park Dedication Fee
- Commitment to Equity
 - Trainings at Summit Academy
 - Spanish speaking staff and staff language classes

CPED 2014 Program Budgets

Construction Code Services (\$11,016,064) (70.20 FTEs)

- Help residents and property owners navigate and comply with building code regulations
 - Construction plan review
 - Building inspections
 - Truth in housing and code compliance
- Increased commercial and residential construction exceeding our ability to conduct inspections, creating a backlog
 - \$500,000 additional GF for new FTEs for plan review and inspections FTEs
- Focus on innovation and efficiency
 - Mobile inspections and expand electronic plan review
 - New downtown inspections district and geo scheduling
 - New multi-disciplinary final inspections model

Building Inspections Required vs. Inspections Performed Jan.-June 2013



CPED's Commitment to Equity

- Co-Sponsor of City's Equity Toolkit under development
- Equity Action plans underway in all CPED business lines, in advance of Equity Toolkit
- Created internal Diversity and Equity Task Force with representation from across CPED
- "Unlearning Racism" training for CPED leadership
- Tracking large and small procurement of goods and services
- Focus on increasing staff diversity through hiring
- Tripled number of STEP UP interns hosted

Capital Request: Operating and CLIC

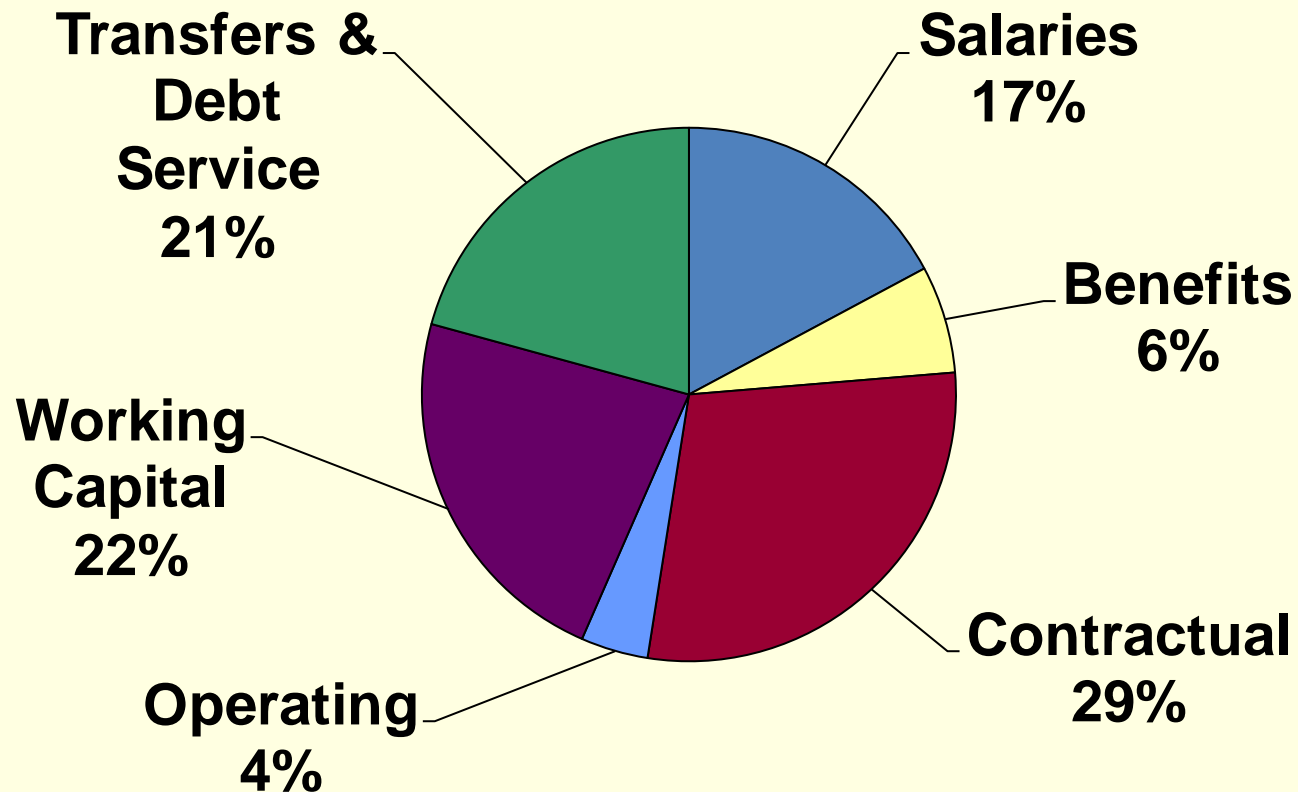
- CPED CARs request: \$176,000
 - Office furniture
 - Citizen Engagement and Ideation
 - Land Management
- Art in Public Places: \$480,000
- Development Infrastructure Program: \$1.4M

CPED 2014 Recommended Budget

Appendix

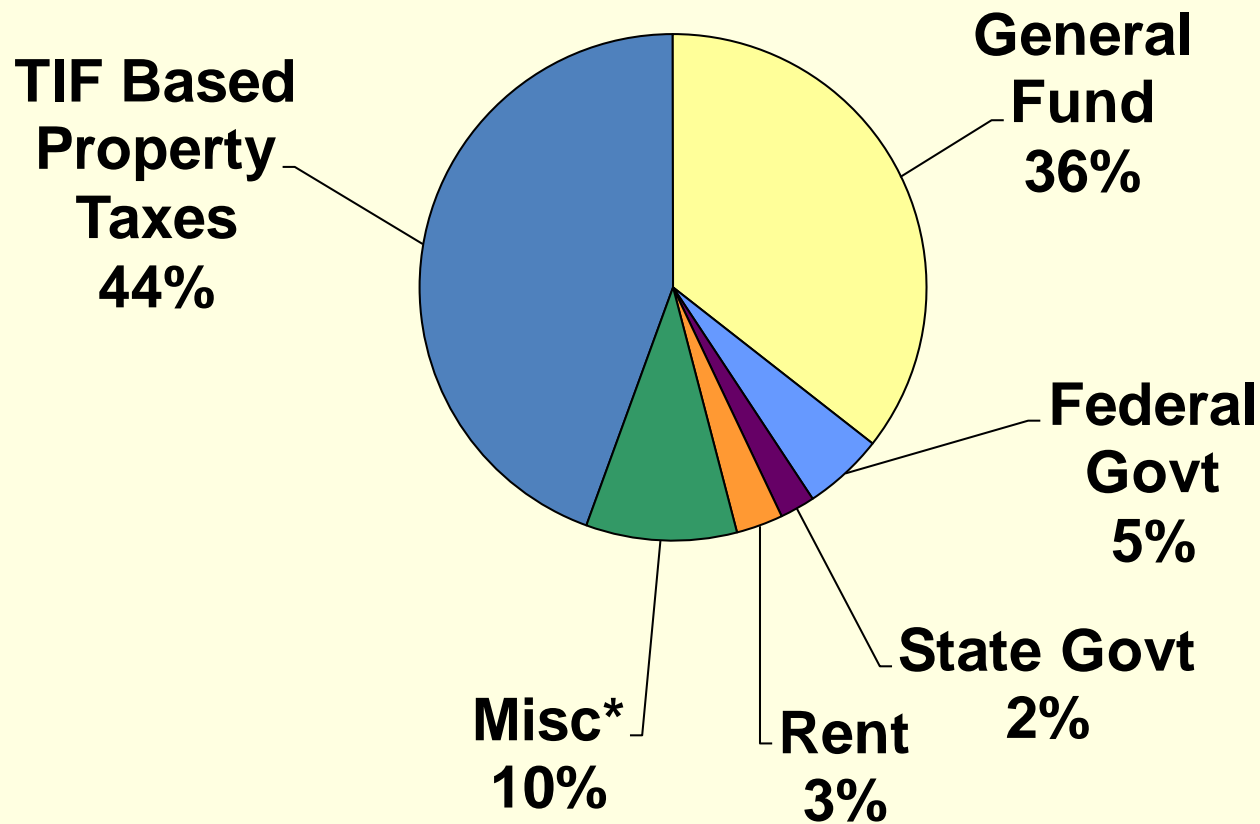
[Community Planning and Economic Development]

Expenditures by Type (\$94.8 million)



[Community Planning and Economic Development]

Revenue by Type (\$93.8 million)



* Miscellaneous includes: Fines & Forfeits, License & Permits, Special Assessments, and Transfers In